

LAW OFFICE OF

# JAROSLAWICZ & JAROS

150 WILLIAM STREET, 19<sup>TH</sup> FLOOR  
NEW YORK, NEW YORK 10038

(212) 227-2780

DAVID JAROSLAWICZ  
(NY, FA & CA BARS)  
ABRAHAM JAROS

ROBERT J. TOLCHIN  
OF COUNSEL  
[RJT@tolchinlaw.com](mailto:RJT@tolchinlaw.com)

October 24, 2006

**BY MAIL AND EMAIL**

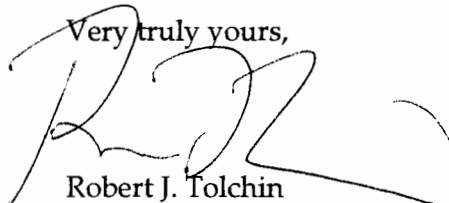
David J. Strachman  
McIntyre, Tate & Lynch, LLP  
321 South Main Street, Suite 400

Re: *Estate of Ungar et al. v. Palestinian Authority, et al.*  
C.A. 00-105L (D.R.I.)

Dear Mr. Strachman,

As you are aware, subsequent to entry of a judgment in the above matter assigning all of the Palestinian Authority's ownership rights in the Palestine Investment Fund ("PIF") to the plaintiffs/judgment creditors ("Ungars"), the Ungars exercised their ownership rights to replace the PIF board of directors, the new board of directors convened and replaced the PIF management and the new PIF management retained this firm to represent the PIF. Copies of the relevant PIF corporate resolutions are attached hereto. If you require a copy of our retainer agreement please let me know.

I am writing on behalf of the PIF to inform you that the PIF authorizes the Ungars to make free use of copies of any documents in their possession (whatever their origin) which were generated by the PIF (e.g. internal PIF instruments) and/or to which the PIF is a party or signatory (e.g. agreements and correspondence sent or received by the PIF).

Very truly yours,  
  
Robert J. Tolchin

**Resolution**  
**Regarding Dismissal and Appointment of Directors of**  
**The Palestine Investment Fund Company**  
**(صندوق الاستثمار الفلسطيني)**

**WHEREAS**, on September 19, 2006, the United States District Court for the District of Rhode Island entered a Final Judgment (hereinafter: the "Final Judgment") assigning, transferring and conveying to the undersigned, The Estate of Yaron Ungar, Dvir Ungar, Yishai Ungar, Judith Ungar, Meir Ungar, Michal Cohen, Amichai Ungar and Dafna Ungar (hereinafter: the "New Owners"), all of the Palestinian Authority's ownership rights in the Palestine Investment Fund Company (صندوق الاستثمار الفلسطيني) (hereinafter: the "PIF"); and

**WHEREAS**, the Final Judgment also assigned, transferred and conveyed to the New Owners all rights, benefits and interests of the Palestinian Authority in all property, assets and credits, of any type, that are titled and/or owed to the PIF; and

**WHEREAS**, we the New Owners have concluded: (i) that the current Directors of the PIF are officers, agents and/or close associates of the former owner of the PIF, the Palestinian Authority; (ii) that the current Directors of the PIF are adverse to the New Owners of the PIF, and to the rights and interests of the New Owners; (iii) that the current Directors of the PIF are unwilling and/or unable to cooperate with and fulfill their duties toward the New Owners; (iv) that the current Directors of the PIF have not prevented the Palestinian Authority from utilizing the PIF to shield assets from judgment creditors; (v) that if the current Directors of the PIF continue in their position they may transfer assets to the Palestinian Authority; and (vi) that if the current Directors of the PIF continue in their position they are liable to cause severe and irreversible harm to the New Owners;

**THEREFORE**, we the New Owners hereby Resolve, pursuant to and in exercise of our ownership rights in the PIF, and in order to protect our rights, benefits and interests, as follows:

1. All current Directors of the PIF (including the Chairman of the Board of Directors) (hereinafter: the "Former Directors") are hereby removed and dismissed with cause from their positions in the PIF, effective immediately;

2. The following persons (hereinafter: the "New Directors") are hereby appointed as the new Directors of the PIF, effective immediately, for a period of one year:

- a. Meir Weininger
- b. Yehoshua Cohen
- c. Professor Meir Ungar
- d. Uri Dasberg
- e. Amichai Ungar
- f. Yochanan Harris
- g. Yosef Meir

3. The New Directors are hereby authorized, inter alia, to take any and all steps necessary and appropriate to protecting and/or realizing the New Owners' rights and interests, including, without limitation, removal and dismissal of current officers, agents and employees of the PIF, and appointment of new officers, agents and employees in their place.

**IN WITNESS THERETO** we the New Owners of the PIF affix our signatures below,

this 17<sup>th</sup> day of October, 2006:

M. Ungar  
Judith Ungar  
Yehoshua Cohen  
Uri Dasberg  
Amichai Ungar  
Yochanan Harris  
Yosef Meir  
The Estate of Yaron Ungar

M. Ungar  
Judith Ungar  
Yehoshua Cohen  
Uri Dasberg  
Amichai Ungar  
Yochanan Harris  
Yosef Meir  
Dvir Ungar

M. Ungar  
Judith Ungar  
Yehoshua Cohen  
Uri Dasberg  
Amichai Ungar  
Yochanan Harris  
Yosef Meir  
Yishai Ungar

Judith Ungar  
Judith Ungar

M. Ungar  
Meir Ungar

Michal Cohen  
Michal Cohen

Amichai Ungar  
Amichai Ungar

Dafna Ungar  
Dafna Ungar

# The Palestine Investment Fund Company

صندوق الاستثمار الفلسطيني

## Board of Directors

---

**Resolutions and Minutes of the Meeting of the Board of Directors of the  
Palestine Investment Fund Company (صندوق الاستثمار الفلسطيني)  
Held at Khabla at 5:00 p.m. on October 19, 2006**

**1. Attendance, Notice and Procedure:**

- 1.1. The following Directors were present throughout the meeting:

Meir Weininger  
Yehoshua Cohen  
Professor Meir Ungar  
Uri Dasberg  
Amichai Ungar  
Yochanan Harris and  
Yosef Meir

being all of the members of the Board of Directors.

- 1.2. All Directors being present, the Directors unanimously waived advance notice of the meeting of the Board.
- 1.3. The Directors selected Amichai Ungar to chair the meeting.

**2. Business Discussed:**

- 2.1. The Directors considered the "Resolution Regarding Dismissal and Appointment of Directors of the Palestine Investment Fund Company" executed by the new owners of the PIF on October 17<sup>th</sup>, 2006, including the issue of the current officers, agents and employees of the PIF discussed therein.
- 2.2. The Directors concluded that the current officers, agents and employees of the PIF should be removed and dismissed with cause because: (i) the current officers, agents and employees of the PIF are officers, agents and/or supporters of the former owner of the PIF, the Palestinian Authority; (ii) the current officers, agents and employees

of the PIF are adverse to the new owners and new Directors of the PIF, and to the rights and interests of the new owners; (iii) the current officers, agents and employees of the PIF are unwilling and/or unable to cooperate with the Directors and fulfill their duties properly; (iv) the current officers, agents and employees of the PIF have not prevented the Palestinian Authority from utilizing the PIF to shield assets from judgment creditors; (v) if the current officers, agents and employees of the PIF continue in their position they may transfer assets to the Palestinian Authority; and (vi) if the current officers, agents and employees of the PIF continue in their position they are liable to cause severe and irreversible harm to the new owners.

- 2.3. The Directors considered the question of appointing new officers, agents and/or employees, and concluded that two new officers should be appointed immediately to the positions of Secretary and Treasurer.

3. **Resolutions:**

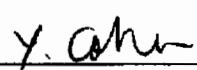
- 3.1. The Board of Directors unanimously resolved that all current officers, agents and employees of the PIF (including without limitation the General Manager) are removed and dismissed with cause from their positions in and/or with the PIF, effective immediately.
- 3.2. The Board of Directors further unanimously resolved to appoint Uri Dasberg as the Secretary of the PIF, effective immediately.
- 3.3. The Board of Directors further unanimously resolved to appoint Meir Ungar as the Treasurer of the PIF, effective immediately.
- 3.4. The Board of Directors further unanimously resolved that Uri Dasberg, in his capacity as Secretary of PIF, is directed to forthwith cause the former officers, agents and employees of the PIF to receive notice of their removal and dismissal by the Resolution set forth at section 3.1 above.
- 3.5. The Board of Directors further unanimously resolved that Uri Dasberg and Meir Ungar, in their capacities as Secretary and Treasurer of PIF, respectively, are jointly authorized and empowered to act on behalf and in the name of the PIF, and to represent the PIF, for any and all purposes.
- 3.6. The Board of Directors further unanimously resolved that the joint signatures of Uri Dasberg and Meir Ungar, in their capacities as Secretary and Treasurer of PIF, respectively, are sufficient to bind the PIF for any and all purposes.
- 3.7. The Board of Directors further unanimously resolved that Uri Dasberg and Meir Ungar, in their capacities as Secretary and Treasurer of PIF, respectively, are authorized, empowered and directed to take any and all steps they deem necessary and appropriate to protecting and/or realizing the rights and interests of the new owners of the PIF.

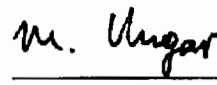


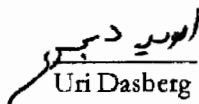
- 3.8. The Board of Directors further unanimously resolved that Uri Dasberg and Meir Ungar, in their capacities as Secretary and Treasurer of PIF, respectively, are authorized, empowered and directed to identify, marshal, gather, recover, take possession, control and charge of, and to demand and obtain from any person or entity, all property, assets and credits, of any type, that are titled and/or owed to the PIF, or in which the PIF has any legal, equitable or beneficial interest.
- 3.9. The Board of Directors further unanimously resolved that Uri Dasberg and Meir Ungar, in their capacities as Secretary and Treasurer of PIF, respectively, are authorized, empowered and directed to identify, demand and obtain from any person or entity, any and all documents, records, information, books of account and papers of the PIF and/or which the PIF is entitled to possess, examine or copy, including without limitation any and all documents or information relating to, concerning and/or referring to all property, assets and credits, of any type, that are titled and/or owed to the PIF, or in which the PIF has any legal, equitable or beneficial interest.
- 3.10. The Board of Directors further unanimously resolved that Uri Dasberg and Meir Ungar, in their capacities as Secretary and Treasurer of PIF, respectively, are authorized, empowered and directed to take, on behalf of and in the name of the PIF, any and all actions they deem necessary and appropriate to realize, fulfill and/or effectuate the Resolutions contained herein, including without limitation initiating, appearing in, participating in, prosecuting and/or defending any and all judicial, legal, arbitral, administrative, statutory or other proceedings or procedures.
- 3.11. The Board of Directors further unanimously resolved that Uri Dasberg and Meir Ungar, in their capacities as Secretary and Treasurer of PIF, are authorized and empowered to retain attorneys for the PIF to act on behalf of and represent the PIF in any jurisdiction for any purpose, and to empower such attorneys to perform any act that Uri Dasberg and Meir Ungar, in their capacities as Secretary and Treasurer of PIF, are authorized and/or empowered to perform.

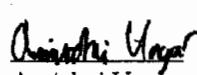
IN WITNESS THERETO we the Directors of the PIF affix our signatures below, this 19<sup>th</sup> day of October, 2006:

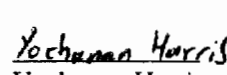
  
Meir Weininger

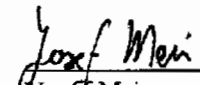
  
Yehoshua Cohen

  
Meir Ungar

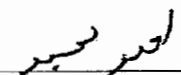
  
Uri Dasberg

  
Amichai Ungar

  
Yochanan Harris

  
Yosef Meir

I hereby certify that this is a true and correct copy:

  
Uri Dasberg, Secretary